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E2SSB 5581 - H AMD TO H APP COMM AMD (H3043.1)
By Representative Alexander

1 On page 6 of the amendment, beginning on line 23, strike all of
2 section 8 and insert the following:

3 "**Sec. 8. NEW SECTION.** LIFE SCIENCES DISCOVERY FUND. The life
4 sciences discovery fund is created in the state treasury.
5 Expenditures from the fund may be made only after appropriation and
6 only for purposes of this chapter. Administrative costs of the
7 authority, including staff support, may be paid only from the fund.
8 Revenues to the fund consist of transfers made by the legislature
9 from strategic contribution payments deposited in the tobacco
10 settlement account under RCW 43.79,480, moneys received pursuant to
11 contribution agreements entered into under section 4 of this act,
12 moneys received from gifts, grants, and bequests, and interest
13 earned on the fund."

14 On page 7, line 17 of the amendment, strike "shall" and insert
15 "may"

16 Beginning on page 31, line 21 of the amendment, strike all of
17 section 16 and insert the following:

18 "**Sec. 16.** RCW 43.84.092 and 2003 c 361 s 602, 2003 c 324 s 1,
19 and 2003 c 48 s 2 are each reenacted and amended to read as
20 follows:

21 (1) All earnings of investments of surplus balances in the
22 state treasury shall be deposited to the treasury income account,
23 which account is hereby established in the state treasury.

24 (2) The treasury income account shall be utilized to pay or
25 receive funds associated with federal programs as required by the
26 federal cash management improvement act of 1990. The treasury
27 income account is subject in all respects to chapter 43.88 RCW, but
28 no appropriation is required for refunds or allocations of interest

1 earnings required by the cash management improvement act. Refunds
2 of interest to the federal treasury required under the cash
3 management improvement act fall under RCW 43.88.180 and shall not
4 require appropriation. The office of financial management shall
5 determine the amounts due to or from the federal government
6 pursuant to the cash management improvement act. The office of
7 financial management may direct transfers of funds between accounts
8 as deemed necessary to implement the provisions of the cash
9 management improvement act, and this subsection. Refunds or
10 allocations shall occur prior to the distributions of earnings set
11 forth in subsection (4) of this section.

12 (3) Except for the provisions of RCW 43.84.160, the treasury
13 income account may be utilized for the payment of purchased banking
14 services on behalf of treasury funds including, but not limited to,
15 depository, safekeeping, and disbursement functions for the state
16 treasury and affected state agencies. The treasury income account
17 is subject in all respects to chapter 43.88 RCW, but no
18 appropriation is required for payments to financial institutions.
19 Payments shall occur prior to distribution of earnings set forth in
20 subsection (4) of this section.

21 (4) Monthly, the state treasurer shall distribute the earnings
22 credited to the treasury income account. The state treasurer shall
23 credit the general fund with all the earnings credited to the
24 treasury income account except:

25 (a) The following accounts and funds shall receive their
26 proportionate share of earnings based upon each account's and
27 fund's average daily balance for the period: The capitol building
28 construction account, the Cedar River channel construction and
29 operation account, the Central Washington University capital
30 projects account, the charitable, educational, penal and
31 reformatory institutions account, the common school construction
32 fund, the county criminal justice assistance account, the county
33 sales and use tax equalization account, the data processing
34 building construction account, the deferred compensation
35 administrative account, the deferred compensation principal
36 account, the department of retirement systems expense account, the
37 drinking water assistance account, the drinking water assistance
38 administrative account, the drinking water assistance repayment
39 account, the Eastern Washington University capital projects

1 account, the education construction fund, the election account, the
2 emergency reserve fund, The Evergreen State College capital
3 projects account, the federal forest revolving account, the health
4 services account, the public health services account, the health
5 system capacity account, the personal health services account, the
6 state higher education construction account, the higher education
7 construction account, the highway infrastructure account, the
8 industrial insurance premium refund account, the judges' retirement
9 account, the judicial retirement administrative account, the
10 judicial retirement principal account, the life sciences discovery
11 fund, the local leasehold excise tax account, the local real estate
12 excise tax account, the local sales and use tax account, the
13 medical aid account, the mobile home park relocation fund, the
14 multimodal transportation account, the municipal criminal justice
15 assistance account, the municipal sales and use tax equalization
16 account, the natural resources deposit account, the oyster reserve
17 land account, the perpetual surveillance and maintenance account,
18 the public employees' retirement system plan 1 account, the public
19 employees' retirement system combined plan 2 and plan 3 account,
20 the public facilities construction loan revolving account beginning
21 July 1, 2004, the public health supplemental account, the Puyallup
22 tribal settlement account, the regional transportation investment
23 district account, the resource management cost account, the site
24 closure account, the special wildlife account, the state employees'
25 insurance account, the state employees' insurance reserve account,
26 the state investment board expense account, the state investment
27 board commingled trust fund accounts, the supplemental pension
28 account, the Tacoma Narrows toll bridge account, the teachers'
29 retirement system plan 1 account, the teachers' retirement system
30 combined plan 2 and plan 3 account, the tobacco prevention and
31 control account, the tobacco settlement account, the transportation
32 infrastructure account, the tuition recovery trust fund, the
33 University of Washington bond retirement fund, the University of
34 Washington building account, the volunteer fire fighters' and
35 reserve officers' relief and pension principal fund, the volunteer
36 fire fighters' and reserve officers' administrative fund, the
37 Washington fruit express account, the Washington judicial
38 retirement system account, the Washington law enforcement officers'
39 and fire fighters' system plan 1 retirement account, the Washington

1 law enforcement officers' and fire fighters' system plan 2
2 retirement account, the Washington school employees' retirement
3 system combined plan 2 and 3 account, the Washington state health
4 insurance pool account, the Washington state patrol retirement
5 account, the Washington State University building account, the
6 Washington State University bond retirement fund, the water
7 pollution control revolving fund, and the Western Washington
8 University capital projects account. Earnings derived from
9 investing balances of the agricultural permanent fund, the normal
10 school permanent fund, the permanent common school fund, the
11 scientific permanent fund, and the state university permanent fund
12 shall be allocated to their respective beneficiary accounts. All
13 earnings to be distributed under this subsection (4)(a) shall first
14 be reduced by the allocation to the state treasurer's service fund
15 pursuant to RCW 43.08.190.

16 (b) The following accounts and funds shall receive eighty
17 percent of their proportionate share of earnings based upon each
18 account's or fund's average daily balance for the period: The
19 aeronautics account, the aircraft search and rescue account, the
20 county arterial preservation account, the department of licensing
21 services account, the essential rail assistance account, the ferry
22 bond retirement fund, the grade crossing protective fund, the high
23 capacity transportation account, the highway bond retirement fund,
24 the highway safety account, the motor vehicle fund, the motorcycle
25 safety education account, the pilotage account, the public
26 transportation systems account, the Puget Sound capital
27 construction account, the Puget Sound ferry operations account, the
28 recreational vehicle account, the rural arterial trust account, the
29 safety and education account, the special category C account, the
30 state patrol highway account, the transportation 2003 account
31 (nickel account), the transportation equipment fund, the
32 transportation fund, the transportation improvement account, the
33 transportation improvement board bond retirement account, and the
34 urban arterial trust account.

35 (5) In conformance with Article II, section 37 of the state
36 Constitution, no treasury accounts or funds shall be allocated
37 earnings without the specific affirmative directive of this
38 section.

1 **Sec. 17.** RCW 43.84.092 and 2003 c 361 s 602, 2003 c 324 s 1,
2 2003 c 150 s 2, and 2003 c 48 s 2 are each reenacted and amended to
3 read as follows:

4 (1) All earnings of investments of surplus balances in the
5 state treasury shall be deposited to the treasury income account,
6 which account is hereby established in the state treasury.

7 (2) The treasury income account shall be utilized to pay or
8 receive funds associated with federal programs as required by the
9 federal cash management improvement act of 1990. The treasury
10 income account is subject in all respects to chapter 43.88 RCW, but
11 no appropriation is required for refunds or allocations of interest
12 earnings required by the cash management improvement act. Refunds
13 of interest to the federal treasury required under the cash
14 management improvement act fall under RCW 43.88.180 and shall not
15 require appropriation. The office of financial management shall
16 determine the amounts due to or from the federal government
17 pursuant to the cash management improvement act. The office of
18 financial management may direct transfers of funds between accounts
19 as deemed necessary to implement the provisions of the cash
20 management improvement act, and this subsection. Refunds or
21 allocations shall occur prior to the distributions of earnings set
22 forth in subsection (4) of this section.

23 (3) Except for the provisions of RCW 43.84.160, the treasury
24 income account may be utilized for the payment of purchased banking
25 services on behalf of treasury funds including, but not limited to,
26 depository, safekeeping, and disbursement functions for the state
27 treasury and affected state agencies. The treasury income account
28 is subject in all respects to chapter 43.88 RCW, but no
29 appropriation is required for payments to financial institutions.
30 Payments shall occur prior to distribution of earnings set forth in
31 subsection (4) of this section.

32 (4) Monthly, the state treasurer shall distribute the earnings
33 credited to the treasury income account. The state treasurer shall
34 credit the general fund with all the earnings credited to the
35 treasury income account except:

36 (a) The following accounts and funds shall receive their
37 proportionate share of earnings based upon each account's and
38 fund's average daily balance for the period: The capitol building
39 construction account, the Cedar River channel construction and

1 operation account, the Central Washington University capital
2 projects account, the charitable, educational, penal and
3 reformatory institutions account, the common school construction
4 fund, the county criminal justice assistance account, the county
5 sales and use tax equalization account, the data processing
6 building construction account, the deferred compensation
7 administrative account, the deferred compensation principal
8 account, the department of retirement systems expense account, the
9 drinking water assistance account, the drinking water assistance
10 administrative account, the drinking water assistance repayment
11 account, the Eastern Washington University capital projects
12 account, the education construction fund, the election account, the
13 emergency reserve fund, The Evergreen State College capital
14 projects account, the federal forest revolving account, the health
15 services account, the public health services account, the health
16 system capacity account, the personal health services account, the
17 state higher education construction account, the higher education
18 construction account, the highway infrastructure account, the
19 industrial insurance premium refund account, the judges' retirement
20 account, the judicial retirement administrative account, the
21 judicial retirement principal account, the life sciences discovery
22 fund, the local leasehold excise tax account, the local real estate
23 excise tax account, the local sales and use tax account, the
24 medical aid account, the mobile home park relocation fund, the
25 multimodal transportation account, the municipal criminal justice
26 assistance account, the municipal sales and use tax equalization
27 account, the natural resources deposit account, the oyster reserve
28 land account, the perpetual surveillance and maintenance account,
29 the public employees' retirement system plan 1 account, the public
30 employees' retirement system combined plan 2 and plan 3 account,
31 the public facilities construction loan revolving account beginning
32 July 1, 2004, the public health supplemental account, the public
33 works assistance account, the Puyallup tribal settlement account,
34 the regional transportation investment district account, the
35 resource management cost account, the site closure account, the
36 special wildlife account, the state employees' insurance account,
37 the state employees' insurance reserve account, the state
38 investment board expense account, the state investment board
39 commingled trust fund accounts, the supplemental pension account,

1 the Tacoma Narrows toll bridge account, the teachers' retirement
2 system plan 1 account, the teachers' retirement system combined
3 plan 2 and plan 3 account, the tobacco prevention and control
4 account, the tobacco settlement account, the transportation
5 infrastructure account, the tuition recovery trust fund, the
6 University of Washington bond retirement fund, the University of
7 Washington building account, the volunteer fire fighters' and
8 reserve officers' relief and pension principal fund, the volunteer
9 fire fighters' and reserve officers' administrative fund, the
10 Washington fruit express account, the Washington judicial
11 retirement system account, the Washington law enforcement officers'
12 and fire fighters' system plan 1 retirement account, the Washington
13 law enforcement officers' and fire fighters' system plan 2
14 retirement account, the Washington school employees' retirement
15 system combined plan 2 and 3 account, the Washington state health
16 insurance pool account, the Washington state patrol retirement
17 account, the Washington State University building account, the
18 Washington State University bond retirement fund, the water
19 pollution control revolving fund, and the Western Washington
20 University capital projects account. Earnings derived from
21 investing balances of the agricultural permanent fund, the normal
22 school permanent fund, the permanent common school fund, the
23 scientific permanent fund, and the state university permanent fund
24 shall be allocated to their respective beneficiary accounts. All
25 earnings to be distributed under this subsection (4)(a) shall first
26 be reduced by the allocation to the state treasurer's service fund
27 pursuant to RCW 43.08.190.

28 (b) The following accounts and funds shall receive eighty
29 percent of their proportionate share of earnings based upon each
30 account's or fund's average daily balance for the period: The
31 aeronautics account, the aircraft search and rescue account, the
32 county arterial preservation account, the department of licensing
33 services account, the essential rail assistance account, the ferry
34 bond retirement fund, the grade crossing protective fund, the high
35 capacity transportation account, the highway bond retirement fund,
36 the highway safety account, the motor vehicle fund, the motorcycle
37 safety education account, the pilotage account, the public
38 transportation systems account, the Puget Sound capital
39 construction account, the Puget Sound ferry operations account, the

1 recreational vehicle account, the rural arterial trust account, the
2 safety and education account, the special category C account, the
3 state patrol highway account, the transportation 2003 account
4 (nickel account), the transportation equipment fund, the
5 transportation fund, the transportation improvement account, the
6 transportation improvement board bond retirement account, and the
7 urban arterial trust account.

8 (5) In conformance with Article II, section 37 of the state
9 Constitution, no treasury accounts or funds shall be allocated
10 earnings without the specific affirmative directive of this
11 section.

12 **Sec. 18.** RCW 43.84.092 and 2004 c 242 s 60 are each amended to
13 read as follows:

14 (1) All earnings of investments of surplus balances in the
15 state treasury shall be deposited to the treasury income account,
16 which account is hereby established in the state treasury.

17 (2) The treasury income account shall be utilized to pay or
18 receive funds associated with federal programs as required by the
19 federal cash management improvement act of 1990. The treasury
20 income account is subject in all respects to chapter 43.88 RCW, but
21 no appropriation is required for refunds or allocations of interest
22 earnings required by the cash management improvement act. Refunds
23 of interest to the federal treasury required under the cash
24 management improvement act fall under RCW 43.88.180 and shall not
25 require appropriation. The office of financial management shall
26 determine the amounts due to or from the federal government
27 pursuant to the cash management improvement act. The office of
28 financial management may direct transfers of funds between accounts
29 as deemed necessary to implement the provisions of the cash
30 management improvement act, and this subsection. Refunds or
31 allocations shall occur prior to the distributions of earnings set
32 forth in subsection (4) of this section.

33 (3) Except for the provisions of RCW 43.84.160, the treasury
34 income account may be utilized for the payment of purchased banking
35 services on behalf of treasury funds including, but not limited to,
36 depository, safekeeping, and disbursement functions for the state
37 treasury and affected state agencies. The treasury income account
38 is subject in all respects to chapter 43.88 RCW, but no

1 appropriation is required for payments to financial institutions.
2 Payments shall occur prior to distribution of earnings set forth in
3 subsection (4) of this section.

4 (4) Monthly, the state treasurer shall distribute the earnings
5 credited to the treasury income account. The state treasurer shall
6 credit the general fund with all the earnings credited to the
7 treasury income account except:

8 (a) The following accounts and funds shall receive their
9 proportionate share of earnings based upon each account's and
10 fund's average daily balance for the period: The capitol building
11 construction account, the Cedar River channel construction and
12 operation account, the Central Washington University capital
13 projects account, the charitable, educational, penal and
14 reformatory institutions account, the common school construction
15 fund, the county criminal justice assistance account, the county
16 sales and use tax equalization account, the data processing
17 building construction account, the deferred compensation
18 administrative account, the deferred compensation principal
19 account, the department of retirement systems expense account, the
20 drinking water assistance account, the drinking water assistance
21 administrative account, the drinking water assistance repayment
22 account, the Eastern Washington University capital projects
23 account, the education construction fund, the election account, the
24 emergency reserve fund, The Evergreen State College capital
25 projects account, the federal forest revolving account, the health
26 services account, the public health services account, the health
27 system capacity account, the personal health services account, the
28 state higher education construction account, the higher education
29 construction account, the highway infrastructure account, the
30 industrial insurance premium refund account, the judges' retirement
31 account, the judicial retirement administrative account, the
32 judicial retirement principal account, the life sciences discovery
33 fund, the local leasehold excise tax account, the local real estate
34 excise tax account, the local sales and use tax account, the
35 medical aid account, the mobile home park relocation fund, the
36 multimodal transportation account, the municipal criminal justice
37 assistance account, the municipal sales and use tax equalization
38 account, the natural resources deposit account, the oyster reserve
39 land account, the perpetual surveillance and maintenance account,

1 the public employees' retirement system plan 1 account, the public
2 employees' retirement system combined plan 2 and plan 3 account,
3 the public facilities construction loan revolving account beginning
4 July 1, 2004, the public health supplemental account, the public
5 works assistance account, the Puyallup tribal settlement account,
6 the regional transportation investment district account, the
7 resource management cost account, the site closure account, the
8 special wildlife account, the state employees' insurance account,
9 the state employees' insurance reserve account, the state
10 investment board expense account, the state investment board
11 commingled trust fund accounts, the supplemental pension account,
12 the Tacoma Narrows toll bridge account, the teachers' retirement
13 system plan 1 account, the teachers' retirement system combined
14 plan 2 and plan 3 account, the tobacco prevention and control
15 account, the tobacco settlement account, the transportation
16 infrastructure account, the tuition recovery trust fund, the
17 University of Washington bond retirement fund, the University of
18 Washington building account, the volunteer fire fighters' and
19 reserve officers' relief and pension principal fund, the volunteer
20 fire fighters' and reserve officers' administrative fund, the
21 Washington fruit express account, the Washington judicial
22 retirement system account, the Washington law enforcement officers'
23 and fire fighters' system plan 1 retirement account, the Washington
24 law enforcement officers' and fire fighters' system plan 2
25 retirement account, the Washington public safety employees' plan 2
26 retirement account, the Washington school employees' retirement
27 system combined plan 2 and 3 account, the Washington state health
28 insurance pool account, the Washington state patrol retirement
29 account, the Washington State University building account, the
30 Washington State University bond retirement fund, the water
31 pollution control revolving fund, and the Western Washington
32 University capital projects account. Earnings derived from
33 investing balances of the agricultural permanent fund, the normal
34 school permanent fund, the permanent common school fund, the
35 scientific permanent fund, and the state university permanent fund
36 shall be allocated to their respective beneficiary accounts. All
37 earnings to be distributed under this subsection (4)(a) shall first
38 be reduced by the allocation to the state treasurer's service fund
39 pursuant to RCW 43.08.190.

1 (b) The following accounts and funds shall receive eighty
2 percent of their proportionate share of earnings based upon each
3 account's or fund's average daily balance for the period: The
4 aeronautics account, the aircraft search and rescue account, the
5 county arterial preservation account, the department of licensing
6 services account, the essential rail assistance account, the ferry
7 bond retirement fund, the grade crossing protective fund, the high
8 capacity transportation account, the highway bond retirement fund,
9 the highway safety account, the motor vehicle fund, the motorcycle
10 safety education account, the pilotage account, the public
11 transportation systems account, the Puget Sound capital
12 construction account, the Puget Sound ferry operations account, the
13 recreational vehicle account, the rural arterial trust account, the
14 safety and education account, the special category C account, the
15 state patrol highway account, the transportation 2003 account
16 (nickel account), the transportation equipment fund, the
17 transportation fund, the transportation improvement account, the
18 transportation improvement board bond retirement account, and the
19 urban arterial trust account.

20 (5) In conformance with Article II, section 37 of the state
21 Constitution, no treasury accounts or funds shall be allocated
22 earnings without the specific affirmative directive of this
23 section."

24 Renumber remaining sections consecutively and correct title and
25 internal references accordingly.

26 On page 33, beginning on line 17 of the amendment, strike all
27 of sections 21 and 22 and insert the following:

28 "NEW SECTION. **Sec. 21.** EXPIRATION DATES. (1) Section 13 of
29 this act expires June 30, 2005.

30 (2) Section 16 of this act expires July 1, 2005.

31 (3) Section 17 of this act expires July 1, 2006.

32 NEW SECTION. **Sec. 22.** EFFECTIVE DATE. This act is necessary
33 for the immediate preservation of the public peace, health, or
34 safety, or support of the state government and its existing public
35 institutions, and takes effect immediately, except for section 14
36 of this act, which takes effect June 30, 2005, section 17 of this

1 act, which takes effect July 1, 2005, and section 18 of this act,
2 which takes effect July 1, 2006."

3 Correct the title and internal references accordingly.

EFFECT: Makes the Life Sciences Discovery Fund an appropriated rather than a non-appropriated account. Requires an appropriation for expenditures from the account. Authorizes rather than requires the Legislature to appropriate Strategic Contribution Payments to the Life Sciences Discovery Fund. Makes conforming amendments to interest retention statues and effective dates.